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16   Oakland, a municipal corporation, acting by and
     through its Board of Port Commissioners (Port of
17   Oakland)

18

19   UNITED STATES DISTRICT COURT

20   NORTHERN DISTRICT OF CALIFORNIA

21

22   CITY AND COUNTY OF SAN   Case No. 3:24-cv-02311-TSH
     FRANCISCO,
23   **DECLARATION OF DR. SABINE
                     Plaintiff,   REIM**
24
     v.   Date: November 7, 2024
25   Time: 10:00 AM
     CITY OF OAKLAND AND PORT OF   Courtroom: E – 15th Floor
26   OAKLAND,   Trial Date: (None Set)

27   Defendants.

DECLARATION OF DR. SABINE REIM - 1   CASE NO. 3:24-CV-02311-TSH

CITY OF OAKLAND, A MUNICIPAL
CORPORATION, ACTING BY AND
THROUGH ITS BOARD OF PORT
COMMISSIONERS (PORT OF OAKLAND),

Counterclaimant,

v.

CITY AND COUNTY OF SAN
FRANCISCO,

Counterclaim Defendant.

I, Sabine Reim, declare as follows:

1.   I am over the age of 18 and am competent to testify. I make this declaration based upon personal knowledge unless otherwise stated herein.

My Background

2.   I am a Principal in the Travel & Transportation Practice with Arthur D. Little, LLC, a management consulting firm, based in Boston, MA. In this role, I work with airlines, airports, governments, tourist boards, and economic development organizations worldwide to develop air access. I specialize in air service network strategies and route development, with an emphasis on a U.S. client portfolio.

3.   I earned my PhD in Economics and International Business from the University of Reading, specializing in airline network structures, and I also hold a Master of Science degree in International Business from the University of London, with specialization in trade in global air services, and a Bachelor of Arts with Honors degree in Travel and Tourism Management from the University of Northumbria.

4.   I have over twenty-five years of aviation industry and consulting experience.

5.   Prior joining Arthur D. Little in 2021, I worked at InterVISTAS Consulting for over seven years, where I was the Vice President and then Senior Vice President of Airline Network Strategy as well as the Air Service Development Practice Leader.

1   6.   Before that, I worked for British Airways for over 16 years in a variety of roles,

2 including as the Lead Network Planner for the Americas and as Network Development

3 Manager (Hub Development/Heathrow).

4   7.   Over the course of my career, I have become familiar with the commercial

5 aviation industry, including the consumer marketplace for commercial airline travel, how

6 airline flight information is generally distributed and displayed to consumers, and the market

7 forces and related issues impacting airline route development and sustainability. I have also

8 worked with and analyzed travel data and statistics, and reviewed various research studies

9 published by academic and commercial sources. That data has included, for example, data

10 relevant to airport catchment areas, which is the geographic area from which a given airport can

11 reasonably expect to draw commercial air service passengers.

12   8.   Based upon my professional experience, I am familiar with industry standards

13 and practices regarding the use of International Air Transport Association (IATA) codes for

14 identifying airports, including for consumers and passengers, and generally the manner in

15 which airport names are or are not used.

16   **The Consumer Marketplace for Commercial Air Travel**

17   9.   As a general matter, there are four main ways that airline tickets are sold to

18 consumers in the United States: (a) directly by airlines, (b) through traditional travel agents, (c)

19 through online travel agents (such as Expedia or Booking.com) ("OTA") or (d) through flight

20 aggregators (such as Kayak or Google Flights).

21   10.   Based upon my review of industry data and statistics, the large majority of trip

22 bookings in the United States – approximately 70% – are made online. For example, American

23 Airlines stated in the 4Q 2023 earnings call that 80% of its bookings came from the Internet.

24   11.   In the online context, consumers can search for flights on airline and OTA

25 websites, in Internet browsers (*e.g.*, Google), on flight aggregator websites, or on airline, OTA,

26 or flight aggregator mobile applications.

27

12.   In my industry experience and based upon my review of various airline, OTA, and flight aggregator websites and mobile applications, departure and arrival airports are consistently displayed with and identified by the airport's IATA code. This makes sense, as it is standard industry practice to use airport IATA codes to communicate the identity of a specific airport for ticket purchases, passenger information, and baggage routing and other logistics. Use of an IATA code in the flight search and booking process as well as for coordinating related information and services provides a consistent way to communicate the identity of each individual airport to and among passengers, airlines, airports, and others.

13.   I am not aware of any online airline ticket booking site in which the airport's IATA code is not displayed during the booking process.

14.   It is not standard industry practice to display a departure or arrival airport by using only the airport's full name.

15.   Airport names may change over time, for example to honor or recognize notable individuals, or as the area(s) they serve grow or evolve, to include geographic references, or for other reasons.

16.   Although an airport's name is not an isolated piece of information that consumers see and interact with as such when purchasing airline tickets, an airport's name can be a useful tool for creating a general awareness of the airport's geographic location or of the area's ties to notable or accomplished individuals. These names can also result in an airport appearing in response to certain key word searches or algorithms, and can be used to help build the case that industry participants should apply their own business rules or algorithms to include certain airports in response to searches for flights to the region or larger metropolitan area that they serve.

17.   Based on my work for British Airways, my broader professional career in the aviation industry, and my personal experiences, it is not uncommon for more than one airport to service a large metropolitan area or region.

1   18.   For example, the London metropolitan area is served by multiple commercial

2   airports – of which only one is located in a London borough – London City Airport (LCY), the

3   smallest of all London airports. The rest are located outside of London's boroughs. Those

4   airports include: London Gatwick Airport (LGW); London Heathrow Airport (LHR); London

5   Luton Airport (LTN); London Stansted Airport (STN); and London Southend Airport (SEN).

6   19.   In the United States, many major metropolis regions or distinct geographic areas

7   are served by more than one airport. For example, the New York city area, the Los Angeles

8   area, the Chicago area, the Washington D.C. area, the Dallas Fort Worth metroplex, the Seattle

9   area, and the San Francisco Bay Area are served by more than one commercial airport:

10   a.   The New York city area is served by: John F. Kennedy International

11   Airport (JFK); LaGuardia Airport (LGA); Newark Liberty International Airport (EWR); and

12   New York Stewart International Airport (SWF);

13   b.   The Los Angeles area is served by: Los Angeles International Airport

14   (LAX); John Wayne Airport f/k/a Orange County Airport (SNA); Hollywood Burbank Airport

15   f/k/a Bob Hope Airport (BUR); Ontario International Airport (ONT); and Long Beach Airport

16   (LGB);

17   c.   The Chicago area is served by: Chicago O'Hare International Airport

18   (ORD); Chicago Midway International Airport (MDW); and Chicago Rockford International

19   Airport (RFD);

20   d.   The Washington D.C. area is served by: Ronald Reagan Washington

21   National Airport (DCA); Dulles International Airport (IAD); and the Baltimore/Washington

22   Thurgood Marshall Airport (BWI);

23   e.   The Dallas Fort Worth metroplex is served by: Dallas Fort Worth

24   International Airport (DFW) and Dallas Love Field Airport (DAL);

25   f.   The Seattle area is served by: Seattle-Tacoma International Airport

26   (SEA) and Seattle Paine Field International Airport (PAE); and

27

g.   The San Francisco Bay area is served by: San Francisco International Airport (SFO); San Francisco Bay Oakland International Airport (OAK); and the San José Mineta International Airport (SJC).

My Work With the Port of Oakland

20.   I started working with the Port of Oakland ("Port") as an air service development consultant around 2014. In the years since, my firms have provided the Port with analysis and other support regarding air service development for its airport ("OAK" or the "Airport").

21.   During the course of that work, I have gathered and reviewed various data sets, conducted research, engaged with industry participants, and provided information and analysis for use in the development of air routes at OAK.

22.   Based upon my review of passenger catchment data relevant to OAK, I understand that OAK is the closest airport to the majority of residents of the San Francisco Bay Area. I also know that OAK is located right on the San Francisco Bay, and as such is well positioned to be a convenient access point for travelers into and out of the Bay Area.

23.   However, the Port has faced difficulties attracting and maintaining direct routes, which I understand to be attributable, at least in part, to insufficient inbound passenger demand. The right mix of passenger volumes and fare levels serve as fundamentals to making an airline route financially viable. Data suggests that certain routes that are not currently available at OAK could be supported and maintained if more inbound passengers understood that OAK is geographically located on San Francisco Bay – *i.e.*, that the population and the demand for flights to the San Francisco Bay Area is there, but there is a lack of awareness that OAK is an option.

24.   Over the past several years, I have worked with the Port's Aviation Division regarding this issue.

25.   I believe there are two substantial issues that have impacted the Port's route development and maintenance efforts.

a.   First, my understanding is that OAK's geographic location on the San Francisco Bay and thus its close proximity to major Bay Area destinations is not well known outside of the Bay Area, and especially outside of California and the farther away one is from the state. Without this awareness, it is unlikely that a traveler would choose to directly search for flights to "OAK" or "Oakland" as an option for travel to the area, even if OAK would be the closest or most convenient option for their travel plans.

b.   Second, there are codes, algorithms, or sorting rules that may be used by airlines, OTAs, or flight aggregator websites to determine which flights are displayed in response to different search queries, such that all available flights to or from OAK are not consistently displayed in response to consumer searches for flights using "San Francisco Bay," or "San Francisco," or "San Fran" as keywords. As a result, the flights displayed in response to those searches may include only flight options to SFO – not additional options for flights to OAK (or to SJC).

26.   These two issues could compound to depress inbound passenger demand that market data suggests should otherwise support direct routes from OAK to major destinations on the East Coast and elsewhere.

27.   To help address this issue, I worked with the Port's Aviation Division regarding potential strategies, including modifying OAK's full formal name to replace the generic word "Metropolitan" that I understand originated in the 1950s with a name that accurately communicates OAK's geographic location and centrality to the San Francisco Bay Area.

28.   Putting SAN FRANCISCO BAY at the beginning of OAK's name is a means to educate travelers about OAK's geographic location on San Francisco Bay, and doing so could help OAK flights appear as options for travel in response to searches for flights into the San Francisco Bay Area. I also understand that certain airlines support increasing awareness about OAK's geographic location – including by incorporating OAK's location on San Francisco Bay into the beginning of its full name.

DECLARATION OF DR. SABINE REIM - 7   CASE NO. 3:24-CV-02311-TSH

29.   My understanding is that the Aviation Division, together with the Port's Executive Director, ultimately decided to recommend that the Board of Port Commissioners change the Airport's full name from the "Metropolitan Oakland International Airport" to the "San Francisco Bay Oakland International Airport."

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on this 7TH day of October, 2024 at __MANAMA__, __BAHRAIN__.

_____
Dr. Sabine Reim